



December 10, 2009

President
Joe Sparks

Vice President
Marshall Ochylski

Directors
Chuck Cesena
Maria Kelly
Steve Senet

General Manager
Dan Gilmore

District Accountant
Amparo Haber

Administrative Supervisor
Sandi Woods

Utilities Supervisor
Margaret Falkner

Fire Chief
Matt Jenkins

Battalion Chief
Phill Veneris

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TO: LOCSD Board of Directors
FROM: Ann Kudart, Administrative Secretary *AK*
SUBJECT: Agenda Item 5B – 12/17/09 Board Meeting
Approve Prior Board Meeting Minutes

SUMMARY

Attached are minutes from the LOCSD Board meetings of:

1. November 5, 2009

RECOMMENDATION

Staff recommends that your Board approve these minutes.

Should the Board wish to amend these minutes, this item should be removed from the Consent Calendar and be considered separately.

Attachment

**Los Osos Community Services District
Board of Directors
Minutes of the Regular Meeting of November 5, 2009**

AGENDA ITEM	DISCUSSION OR ACTION										
CALL TO ORDER/FLAG SALUTE/ROLL CALL	<p>President Sparks called the Closed Session meeting to order at 6:02 p.m.</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 70%;">Director Kelly</td> <td style="text-align: right;">Present</td> </tr> <tr> <td>Director Senet</td> <td style="text-align: right;">Absent</td> </tr> <tr> <td>Director Cesena</td> <td style="text-align: right;">Present</td> </tr> <tr> <td>Vice President Ochylski</td> <td style="text-align: right;">Present</td> </tr> <tr> <td>President Sparks</td> <td style="text-align: right;">Absent</td> </tr> </table>	Director Kelly	Present	Director Senet	Absent	Director Cesena	Present	Vice President Ochylski	Present	President Sparks	Absent
Director Kelly	Present										
Director Senet	Absent										
Director Cesena	Present										
Vice President Ochylski	Present										
President Sparks	Absent										
ANNOUNCEMENT OF CLOSED SESSION ITEMS, PUBLIC COMMENT ON CLOSED SESSION ITEMS, AND CONVENING OF CLOSED SESSION	<p>Vice President Ochylski announced that the Board would convene to closed session for the following:</p> <p>A. PENDING LITIGATION (Government Code §54956.9(b).) Conference with District Counsel for Existing Litigation (Formally initiated): In re Los Osos Community Services District (ND-06-10548), United States Bankruptcy Court, Central District of California, Northern Division; LOCS D et al. v. American Alternative Insurance Corporation, Case No. CV 08-01279 (Federal Court); Montgomery Watson Harza (MWH) v. LOCS D, Case No. CV060122 (San Luis Obispo Superior Court); LOCS D v. RWQCB (ACL Appeal), Case No. CV06033 (San Luis Obispo Superior Court); LOCS D v. Golden State et al. (Groundwater Adjudication), Case No. CV04012 (San Luis Obispo Superior Court); Taxpayers Watch et al v. LOCS D, Case No. CV051012 (San Luis Obispo Superior Court) – Measure B; Taxpayers Watch et al v. LOCS D et al., Case No. CV050862 (San Luis Obispo Superior Court); LOCS D v. SRWQCB, Case No. 05A505422 (Sacramento Superior Court)</p> <p>Seeing no public comment, the Board adjourned to closed session at 6:03 p.m. President Sparks joined the meeting at this point.</p>										
RECONVENE TO OPEN SESSION CALL TO ORDER / FLAG SALUTE / ROLL CALL 1. REPORT OUT OF CLOSED SESSIONS October 19, 2009 November 6, 2009	<p>The Board reconvened to Open Session Meeting at 7:08 p.m.</p> <p>District Counsel Jon Seitz reported the Board heard an update on the MWH versus LOCS D pending litigation from legal counsel and gave instruction to legal counsel but took no reportable action. The Board discussed Measure B litigation and will adjourn after Open Session back to Closed Session to continue discussion on Measure B litigation.</p> <p>During a special closed session meeting on October 19, 2009, the Board took no reportable action on pending litigation. The Board on a 3-0 vote with Directors Senet and Ochylski being absent selected Dan Gilmore as the District General Manager.</p>										
MOMENT OF SILENCE IN MEMORY OF DANIEL SENET	<p>President Sparks asked for a moment of silence in support of Director Senet and family and in memory of Daniel Senet.</p>										
2. PRESENTATIONS A. Proclamation of Appreciation to CAL FIRE/San Luis Obispo County Fire Department B. Presentation of Community Wildfire Protection Plan	<p>President Sparks pulled Agenda Item 5J from the Consent Calendar for discussion following the presentation of the Community Wildfire Protection Plan.</p> <p>President Sparks presented a Proclamation of Appreciation to Cal Fire-Station 15. Chief Matt Jenkins thanked the Board and public, announced the new training center at Sunnyside School and offered a special appreciation to Battalion Chief Phill Veneris who has served the District so well these past five years.</p> <p>Vice President Ochylski, as Chairperson of the ESAC, expressed his appreciation to Cal Fire-Station 15 in going above and beyond the call of duty in providing services to the District. <u>Richard Margetson</u> spoke briefly expressing his appreciation of Cal Fire and Chief Dan Turner.</p>										

AGENDA ITEM	DISCUSSION OR ACTION								
<p data-bbox="61 153 444 243">B. Presentation of Community Wildfire Protection Plan (continued)</p> <p data-bbox="94 401 412 491">Consent Agenda Item 5J. Approve the Community Wildfire Protection Plan</p> <p data-bbox="107 764 396 827">4.A1 District/CAL-FIRE Manager Report</p>	<p data-bbox="472 153 1562 243">Vice President Ochylski introduced the Community Wildfire Protection Plan with Chief Veneris giving a presentation as to what is involved in bringing stakeholders together, prioritizing areas at risk for large and damaging fires and ways to mitigate the hazards.</p> <p data-bbox="472 275 1562 365"><u>Tom Wright</u> and <u>Russ Westmann</u>, ESAC members, commented on the CWPP and thanking Cal Fire and the entire South Bay Station 15 for their dedicated service to our community and urged the Board to approve the plan.</p> <p data-bbox="472 401 1562 464">A motion was introduced by Vice President Ochylski to Approve the Community Wildfire Protection Plan. The motion was seconded by Director Kelly.</p> <p data-bbox="472 464 656 491">Roll Call Vote:</p> <table data-bbox="472 491 1377 617"> <tr> <td data-bbox="472 491 776 518">Vice President Ochylski</td> <td data-bbox="1321 491 1377 518">Yes</td> </tr> <tr> <td data-bbox="472 518 646 546">Director Kelly</td> <td data-bbox="1321 518 1377 546">Yes</td> </tr> <tr> <td data-bbox="472 546 678 573">Director Cesena</td> <td data-bbox="1321 546 1377 573">Yes</td> </tr> <tr> <td data-bbox="472 573 688 600">President Sparks</td> <td data-bbox="1321 573 1377 600">Yes</td> </tr> </table> <p data-bbox="472 611 1182 638">The motion was approved with four (4) affirmative votes.</p> <p data-bbox="472 674 1562 737"><u>Leon Goldin</u> announced an upcoming meeting of the Los Osos Fire Safe Focus Group to be held 11/10/09 and encouraged public participation.</p> <p data-bbox="472 764 1562 827">President Sparks pulled Agenda Item 4.A1 from Administrative and Committee Reports and requested Chief Veneris to present his Manager's Report at this time.</p> <p data-bbox="472 856 1562 919">Battalion Chief Phill Veneris gave a summary of the CAL-FIRE Manager Report as submitted with the agenda packet.</p>	Vice President Ochylski	Yes	Director Kelly	Yes	Director Cesena	Yes	President Sparks	Yes
Vice President Ochylski	Yes								
Director Kelly	Yes								
Director Cesena	Yes								
President Sparks	Yes								
<p data-bbox="110 951 386 1014">3. GENERAL PUBLIC COMMENT</p>	<p data-bbox="472 951 1562 1409">During General Public Comment, <u>Holly Sletteland</u>, Preserve Manager, Morro Bay Audubon Society announced the Sweet Springs Reserve Fall Planting Party to be held 11/14/09. <u>Piper Reilly</u> commented on Coastal Commission appeals and a green project. <u>Keith Wimer</u> supported the previous speaker, commented on support of a Basin-Wide Management Plan and requested Items F and G be pulled from the Consent Calendar. <u>Martha Goldin</u> commented on recent letters and news items concerning pollution coming from sludge. <u>Frank Ausilio</u> commented on several bills concerning our community, District representative to Coastal Commission hearings, ISJ and consideration of a building moratorium. <u>Julie Tacker</u> commented on her correspondence with Coastal Commission staff. <u>Gewynn Taylor</u> commented on sludge pollution. <u>Ben DiFatta</u> commented on gravity sewer expense <u>Alon Perlman</u> announced upcoming graywater meetings to be held in Morro Bay and Atascadero and graywater guidelines and commented on the issues of sludge. <u>Bruce Payne</u> commented on the inaccuracies of a recent news article concerning blackwater and sludge. <u>Richard Margetson</u> announced New Frontiers will be donating 5% of total receipts on 11/18/09 to the Maxine Lewis Homeless Shelter.</p>								
<p data-bbox="77 1444 418 1497">4. ADMINISTRATIVE AND COMMITTEE REPORTS</p> <p data-bbox="77 1503 412 1535">A. Administrative Reports</p> <p data-bbox="126 1566 370 1629">2. District Utilities Department Report</p> <p data-bbox="84 1654 412 1717">3. District Administration Department Report</p> <p data-bbox="126 1749 363 1812">4. District General Manager Report</p>	<p data-bbox="472 1566 1562 1629">Utilities Supervisor Margaret Falkner gave a summary of the Utilities Department Report as submitted with the agenda packet.</p> <p data-bbox="472 1661 1562 1724">Administrative Supervisor Sandi Woods gave a summary of the Administration Department Report as submitted with the agenda packet.</p> <p data-bbox="472 1755 1562 1818">Interim General Manager Mitch Cooney gave a summary of the District General Manager Report as submitted with the agenda packet.</p> <p data-bbox="472 1850 1562 1913">President Sparks expressed his appreciation to Mr. Cooney for his professionalism in serving the District as Interim General Manager.</p>								

AGENDA ITEM	DISCUSSION OR ACTION								
<p>B. Committee Reports</p> <p>1. LOCSD Standing Advisory Committee and Ad Hoc Committee Reports</p> <p>2. Director Reports on Attendance at Other Agency Committee Meetings</p>	<p>Minutes of the 08/18/09 ESAC Meeting were submitted with the agenda packet. Vice President Ochylski commented on the 10/09 Fire Protection Day Open House, his office hours held during that time, and the 10/15/09 Joint ESAC/LOCAC Traffic and Circulation Committee Meeting to discuss street closure issues.</p> <p>Director Kelly gave a brief summary of both the 10/14/09 WAC Meeting and 10/07/09 WRAC Meeting Reports as submitted with the agenda packet.</p> <p>Vice President Ochylski reported on the 11/04/09 WRAC Meeting.</p> <p>President Sparks announced the next FAC Meeting will be held 11/16/09.</p>								
<p>5. CONSENT CALENDAR</p> <p>A. Receive Administrative and Committee Reports</p> <p>B. Approve Prior Meeting Minutes</p> <p>C. Receive Warrant Register for September 26, 2009 – October 31, 2009</p> <p>D. Receive Financial Statements for Period Ending September 30, 2009</p> <p>E. Confirmation of Vehicle Purchase – 2001 Impala</p> <p>F. Approve the Proposal for Task 3: Basin Management Plan Support (ISJ)-The Wallace Group</p> <p>G. Approve the Proposal for Task 3: Basin Management Plan Support (ISJ) - Cleath-Harris Geologists</p> <p>H. Approve First Amendment to Employment Contract, Interim General Manager</p> <p>I. Approval of a Contract for the Position of General Manager, LOCSD</p> <p>J. Approve the Community Wildfire Protection Plan</p>	<p>Agenda Item J was pulled and discussed after the WCPP Presentation.</p> <p>Agenda Items F, G, H and E were pulled for further discussion.</p> <p>During public comment on Administrative and Committee Reports and Consent Items A, B, C, D and F, Julie Tacker, Piper Reilly, Leon Goldin, Keith Wimer, Frank Ausilio, Lynette Tornatzky, Bruce Payne, Gwynn Taylor, Alon Perlman, Al Barrow and Richard Margetson speak.</p> <p>A motion was introduced by Vice President Ochylski to Accept the Administrative and Committee Reports and Approve Consent Items A, B, C, D and E the Community Wildfire Protection Plan. The motion was seconded by President Sparks.</p> <p>Roll Call Vote:</p> <table data-bbox="456 919 1565 1045"> <tr> <td>Vice President Ochylski</td> <td>Yes</td> </tr> <tr> <td>President Sparks</td> <td>Yes</td> </tr> <tr> <td>Director Kelly</td> <td>Yes</td> </tr> <tr> <td>Director Cesena</td> <td>Yes</td> </tr> </table> <p>The motion was approved with four (4) affirmative votes.</p> <p>Vice President Ochylski requested Consent Items F and G be continued. After comments by Interim General Manager Mitch Cooney and Legal Counsel Jon Seitz, President Sparks announced that Consent Items F and G would be heard following General Action Item 6A Presentation of Water Rate Study by WAC Subcommittee at this meeting.</p>	Vice President Ochylski	Yes	President Sparks	Yes	Director Kelly	Yes	Director Cesena	Yes
Vice President Ochylski	Yes								
President Sparks	Yes								
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Director Cesena	Yes								
<p>6. GENERAL ACTION ITEMS</p> <p>A. Presentation of Water Rate Study by Subcommittee of the Water Advisory Committee</p>	<p>Dominic Roques, Water Rates Subcommittee Chair, summarized the work done by the committee and gave a brief report on new water rate structure. A written report was submitted with the agenda packet.</p> <p>President Sparks opened the floor to comments. Al Barrow, Keith Wimer, Piper Reilly, Bruce Payne and Richard Margetson speak.</p> <p>A motion was introduced by President Sparks to Forward the Subcommittee Report to the Finance Advisory Committee. The motion was seconded by Vice President Ochylski.</p> <p>Roll Call Vote:</p> <table data-bbox="456 1780 1565 1906"> <tr> <td>President Sparks</td> <td>Yes</td> </tr> <tr> <td>Vice President Ochylski</td> <td>Yes</td> </tr> <tr> <td>Director Cesena</td> <td>Yes</td> </tr> <tr> <td>Director Kelly</td> <td>Yes</td> </tr> </table> <p>The motion was approved with four (4) affirmative votes.</p>	President Sparks	Yes	Vice President Ochylski	Yes	Director Cesena	Yes	Director Kelly	Yes
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AGENDA ITEM	DISCUSSION OR ITEM																								
	<p>A motion was introduced by President Sparks continue the meeting past 10:00 p.m. The motion was seconded by Director Cesena</p> <p>Roll Call Vote:</p> <table border="0"> <tr> <td>President Sparks</td> <td>Yes</td> </tr> <tr> <td>Director Cesena</td> <td>Yes</td> </tr> <tr> <td>Director Kelly</td> <td>Yes</td> </tr> <tr> <td>Vice President Ochylski</td> <td>No</td> </tr> </table> <p>The motion was approved with three (3) affirmative votes.</p>	President Sparks	Yes	Director Cesena	Yes	Director Kelly	Yes	Vice President Ochylski	No																
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<p>5. CONSENT CALENDAR (continued)</p> <p>F. Approve the Proposal for Task 3: Basin Management Plan Support (ISJ)-The Wallace Group</p> <p>G. Approve the Proposal for Task 3: Basin Management Plan Support (ISJ) - Cleath-Harris Geologists</p> <p>H. Approve First Amendment to Employment Contract, Interim General Manager</p> <p>I. Approval of a Contract for the Position of General Manager, LOCSD</p>	<p>Interim General Manager Mitch Cooney gave a brief report on Consent Item 5.I and Mr. Gilmore introduced himself to the Board and the public giving a brief history of his background and experiences.</p> <p>During public comment, Julie Tacker, Al Borrow, Keith Wimer, Richard Margetson, Alon Perlman speak.</p> <p>A motion was introduced by Vice President Ochylski to Approve the Employment Contract between the Los Osos CSD and W. Dan Gilmore for the Position of District General Manager. The motion was seconded by Director Kelly.</p> <p>Roll Call Vote:</p> <table border="0"> <tr> <td>Vice President Ochylski</td> <td>Yes</td> </tr> <tr> <td>Director Kelly</td> <td>Yes</td> </tr> <tr> <td>Director Cesena</td> <td>Yes</td> </tr> <tr> <td>President Sparks</td> <td>Yes</td> </tr> </table> <p>The motion was approved with four (4) affirmative votes.</p> <p>District Legal Counsel Jon Seitz introduced Consent Items 5.H reporting that the IGM's contract was being extended through January 31, 2009.</p> <p>During public comment, Gewynn Taylor speaks.</p> <p>A motion was introduced by Director Kelly to Approve Amended Contract with Interim General Manager Mitch Cooney through January 31, 2010. The motion was seconded by Vice President Ochylski.</p> <p>Roll Call Vote:</p> <table border="0"> <tr> <td>Director Kelly</td> <td>Yes</td> </tr> <tr> <td>Vice President Ochylski</td> <td>Yes</td> </tr> <tr> <td>Director Cesena</td> <td>Yes</td> </tr> <tr> <td>President Sparks</td> <td>Yes</td> </tr> </table> <p>The motion was approved with four (4) affirmative votes.</p> <p>Interim General Manager Mitch Cooney introduced Consent Item 5.F. During public comment, Julie Tacker, Keith Wimer, Piper Reilly, Bruce Payne, Gewynn Taylor, Al Barrow, Alon Perlman, Frank Ausilio and Richard Margetson speak.</p> <p>President Sparks made a motion to Approve the Proposal for Task 3: Basin Management Plan Support as presented and authorize and direct the General Manager to sign the contract on behalf of the District. The motion was seconded by Director Kelly.</p> <p>Roll Call Vote:</p> <table border="0"> <tr> <td>President Sparks</td> <td>Yes</td> </tr> <tr> <td>Director Kelly</td> <td>Yes</td> </tr> <tr> <td>Director Cesena</td> <td>No</td> </tr> <tr> <td>Vice President Ochylski</td> <td>Yes</td> </tr> </table> <p>The motion was approved with three (3) affirmative votes.</p>	Vice President Ochylski	Yes	Director Kelly	Yes	Director Cesena	Yes	President Sparks	Yes	Director Kelly	Yes	Vice President Ochylski	Yes	Director Cesena	Yes	President Sparks	Yes	President Sparks	Yes	Director Kelly	Yes	Director Cesena	No	Vice President Ochylski	Yes
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AGENDA ITEM	DISCUSSION OR ACTION								
5. CONSENT CALENDAR (continued)	<p>Interim General Manager Mitch Cooney introduced Consent Item 5.G. During public comment, Julie Tacker, Bruce Payne, Keith Wimer, Al Barrow, Frank Ausilio, Richard Margetson and Gewynn Taylor speak.</p> <p>A motion was introduced by Vice President Ochylski made a motion to Approve Staff Recommendation. The motion was seconded by President Sparks.</p> <p>Roll Call Vote:</p> <table border="0"> <tr> <td>Vice President Ochylski</td> <td style="text-align: right;">Yes</td> </tr> <tr> <td>President Sparks</td> <td style="text-align: right;">Yes</td> </tr> <tr> <td>Director Cesena</td> <td style="text-align: right;">No</td> </tr> <tr> <td>Director Kelly</td> <td style="text-align: right;">Yes</td> </tr> </table> <p>The motion was approved with three (3) affirmative votes.</p>	Vice President Ochylski	Yes	President Sparks	Yes	Director Cesena	No	Director Kelly	Yes
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President Sparks	Yes								
Director Cesena	No								
Director Kelly	Yes								
GENERAL PUBLIC COMMENT	<p>President Sparks opened the floor to General Public comment. Al Barrow speaks.</p>								
CLOSING BOARD COMMENTS	<p>Director Cesena announced a Memorial Service for Daniel Senet to be held at his home on 11/8/09 at noon. Director Kelly reported her attendance at a forum hosted by Common Sense California. Vice President Ochylski commented on the personal attacks and lack of civility at the Board meeting. President Sparks commented on District consultants.</p> <p>A motion was introduced by President Sparks to set the next LOCSD Board of Directors Regular Meeting to December 10, 2009. The motion was seconded by Director Kelly.</p> <p>Roll Call Vote:</p> <table border="0"> <tr> <td>President Sparks</td> <td style="text-align: right;">Yes</td> </tr> <tr> <td>Director Kelly</td> <td style="text-align: right;">Yes</td> </tr> <tr> <td>Director Cesena</td> <td style="text-align: right;">Yes</td> </tr> <tr> <td>Vice President Ochylski</td> <td style="text-align: right;">Yes</td> </tr> </table> <p>The motion was approved with four (4) affirmative votes.</p>	President Sparks	Yes	Director Kelly	Yes	Director Cesena	Yes	Vice President Ochylski	Yes
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ADJOURNMENT	<p>The Board adjourned to Closed Session at 11:40 p.m. (agk)</p>								